

#45
NEW NO.
- A
- B

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD*
CHARLES T. KAPPLER
JOHN H. DOYLE*
JAMES C. MARTIN, JR.*

*ALSO ADMITTED IN NEW YORK
*ALSO ADMITTED IN MARYLAND

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17047
RECORDATION NO. _____ FILED 1425

OCT 3 1990 -10 20 AM

INTERSTATE COMMERCE COMMISSION

OCT 3 1990 -10 20 AM

INTERSTATE COMMERCE COMMISSION

October 3, 1990

0-276A011

17047-B

RECORDATION NO. _____ FILED 1425

OCT 3 1990 -10 20 AM

INTERSTATE COMMERCE COMMISSION

Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Dear Mr. Strickland:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two original copies of a Railroad Equipment Lease Agreement No. 7153 - 200 dated as of August 31, 1990, a primary document, and Lease Schedule Nos. 201 and 202 thereto, each dated August 31, 1990, secondary documents.

The names and addresses of the parties to the enclosed documents are:

Lessor: The CIT Group/Equipment
Financing, Inc.
300 South Grand Avenue
Los Angeles, California 90071

Lessee: CONOCO Inc.
600 North Dairy Ashford
Houston, Texas 77079

A description of the railroad equipment covered by the enclosed documents is:

Two (2) 1990 Trinity Industries 4-compartment,
DOT 111A100W3 Railcars, CONX 2240 - 2241

Fifteen (15) 1990 Union Tank Car - 3 -
compartment, DOT 111A100W3 Railcars, CONX 2259
- 2273.

Counterparts - CT, Kappler

Interstate Commerce Commission
Washington, D.C. 20423

10/3/90

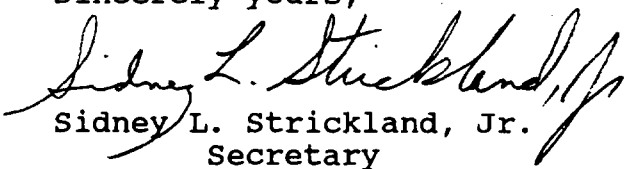
OFFICE OF THE SECRETARY

Charles T. Kappler
Alvord And Alvord
200 World Center Building
918 Sixteenth Street, N. W.
Washington, D. C. 20006-2973

Dear Sirs:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/3/90 at 10:30AM , and assigned recordation number(s) 17047, 17047-A and 17047-B.

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

17047
OCT 3 1990 10 30 AM
INTERSTATE COMMERCE COMMISSION

RAILROAD EQUIPMENT LEASE AGREEMENT

THIS RAILROAD EQUIPMENT LEASE AGREEMENT No. 7153-200 ("Lease") is dated as of the 31st day of August, 1990 between THE CIT GROUP/EQUIPMENT FINANCING, INC., a New York corporation, with offices located at 300 South Grand Avenue, Third Floor, Los Angeles, California 90071, Attention: Vice President/Credit ("Lessor") and CONOCO INC., a Delaware corporation, with offices located at 600 North Dairy Ashford, Houston, Texas 77079, Attention: Transportation Department, Rail Operations, Director of Rail Operations ("Lessee").

LEASE AGREEMENT

1. Lessor hereby leases to Lessee and Lessee hereby rents from Lessor the railcars (individually, a "Railcar" and, collectively, the "Railcars") generally described in Exhibit A hereto, and more specifically described in the lease schedule(s), which are or may from time to time be executed by Lessor and Lessee and attached hereto or incorporated herein by reference ("Lease Schedule"), upon the terms and conditions set forth in this Lease, as supplemented by the terms and conditions set forth in the appropriate Lease Schedule identifying the Railcars. Each Lease Schedule shall set forth the particulars regarding each Railcar including the price of the Railcar (including disclosure of all rebates, discounts and other incentives received or receivable with respect thereto), plus all taxes and other applicable costs, the aggregate of the foregoing being hereafter defined as "Total Cost". The Total Cost for all Railcars leased pursuant hereto shall not exceed \$ 1,363,214.00, plus or minus one and 53/100 percent (1.53%). Whenever reference is made herein to the "Lease" it shall be deemed to include this agreement and each of the various Lease Schedules identifying the Railcars, all of which constitute one undivided lease of the Railcars, and the terms and conditions of which are incorporated herein by reference.

PURCHASE ORDERS; ACCEPTANCE

2. (a) Specifications. Lessee will assign to Lessor purchase orders or agreements issued or entered into by Lessee for the Railcars, or Lessor shall issue Lessor's purchase orders to the suppliers of the Railcars, as Lessor at the time shall deem appropriate, all in form and substance satisfactory to Lessor. Lessee shall furnish Lessor detailed specifications ("Specifications") for the Railcars, including descriptions, prices, delivery terms and instructions and all other applicable

specifications. Lessee assumes full responsibility with respect to the selection of Railcars supplied for lease and the Specifications thereof. Lessor shall have no liability or responsibility with respect thereto regardless of whether the specifications prove inadequate for the intended purpose or use.

(b) Inspection; Acceptance. It is Lessee's responsibility to receive and promptly inspect and test each Railcar tendered for delivery by a supplier.

(c) Equipment Purchase Agency. Lessor hereby appoints Lessee as its agent and attorney-in-fact to purchase from manufacturers and suppliers of Lessee's choice, any or all of the personal property which is intended to constitute Railcars for purposes of this Lease (for the purposes of this Section all such items of personal property shall be herein called "Agency Property"). If Lessee elects so to purchase any Agency Property, Lessee shall write all purchase orders therefor so as to indicate that Lessee is ordering the Agency Property specified therein as agent and attorney-in-fact for Lessor. Upon Lessee's written request, Lessor shall provide Lessee with a letter, substantially in the form of the letter annexed hereto as Exhibit B, specifically disclosing and further evidencing the agency relationship created herein. In consideration of Lessor's creation of the agency provisions of this Section, Lessee hereby specifically agrees to assume liability for, and indemnify and hold Lessor harmless against, all claims, costs, expense, losses, damages and liabilities arising from, pertaining to, or resulting from, directly or indirectly, (a) any act or failure to act on the part of Lessee hereunder, or (b) the manufacture, assembly, installation, ownership, use, possession, operation or Loss of any Agency Property. Lessee agrees to follow Lessor's written instructions, from time to time, with regard to the gathering and forwarding to Lessor of all documents in furtherance hereof. Lessee represents, warrants and covenants, as follows:

(i) each bid acceptance letter ("Purchase Order") will be written by Lessee in accordance with this Section and only for personal property of the type which is intended to be leased by Lessor to Lessee pursuant to this Lease;

(ii) the aggregate cost of Agency Property ordered on Purchase Orders issued pursuant to this Section shall not exceed \$1,363,214.00, plus or minus one and 53/100 percent (1.53%);

(iii) each Purchase Order will be substantially in the form of the purchase order annexed hereto as Exhibit C and made a part hereof;

(iv) upon the execution by Lessee of any Purchase Order, Lessee will forward a duplicate copy thereof to Lessor at its office located at 300 South Grand Avenue, Los Angeles, CA 90071;

(v) each vendor or supplier of Agency Property will invoice Lessor as the purchaser and the owner thereof, and each such invoice shall be sent to Lessor in care of Lessee;

(vi) each invoice received with respect to any Agency Property will contain a complete and accurate description of the Agency Property described therein to include all appropriate model and serial numbers thereof;

(vii) upon receipt of an invoice with respect to any Agency Property, Lessee will, on Lessor's behalf, promptly, according to the terms of such invoice, make payment to the vendor or supplier named thereon by means of wire transfer (with evidence of payment that is satisfactory to Lessor) or Lessee's check (which check shall contain the following legend: "Payment made for the account of The CIT/Group Equipment Financing, Inc.");

(viii) upon delivery to Lessee of any item of Agency Property, Lessee will promptly forward to Lessor all invoices and photocopies of checks with respect thereto; and

(ix) from the date of delivery of any item of Agency Property to Lessee, Lessee will cause insurance to be maintained with respect to such Agency Property as if its term of lease hereunder had commenced as of such date, and as if it were already Railcars under this Lease;

It is understood and agreed that upon Lessor's audit and subsequent acceptance of a Lease Schedule covering the Agency Property and all documents related thereto as shall be deemed necessary by Lessor, Lessor shall reimburse Lessee for Lessee's expenditure on behalf of Lessor in accordance with the terms of such invoice. If Lessee fails to execute a Lease Schedule with respect to any item of Agency Property, or if Lessor does not accept any item of Agency Property as Railcars for purposes of this Lease, then Lessor shall have no obligation to reimburse Lessee for Lessee's payment therefor, and shall take such steps as may be reasonably necessary to convey legal title thereto to Lessee. Without Lessor's prior written consent to the contrary, Lessee's appointment as agent and attorney-in-fact pursuant to this Section shall terminate on September 30, 1990, or at such time as Lessee shall have executed the last Purchase Order hereunder, whichever is earlier. Such termination shall be automatic and require no further notice of any kind from Lessor.

(d) Conditions. Lessee shall deliver to Lessor such further instruments, documents and certifications as Lessor reasonably may request, including without limitation UCC financing statements, evidences of authority (e.g., corporate authorizations), evidence of insurance, purchase orders and acceptances thereof, purchase and sale agreements and financial information, and instruments and documents to implement, perfect or continue the perfection of Lessor's rights and remedies as owner and Lessor of the Railcars. Notwithstanding the execution, delivery or filing of any instruments or documents, it is agreed that this transaction is a lease and is not intended as security. Lessee's delivery of the foregoing and of the Specifications are conditions precedent to any obligation of Lessor to purchase or make any commitments to purchase or pay for any Railcar.

LESSEE'S WARRANTIES

3. (a) Lessee represents and warrants to Lessor that:

(i) it is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and that it is qualified to do business in every jurisdiction where the failure to qualify would have a materially adverse effect on Lessor's rights hereunder;

(ii) it has taken all corporate action which may be required to authorize the execution, delivery and performance of this Lease, and such execution, delivery and performance will not conflict with or violate any provision of its Charter or Articles or Certificate of Incorporation, By-laws or any provisions thereof, or result in a default or acceleration of any obligation under any agreement, order, decree or judgement to which it is a party or by which it is bound, nor is it now in default under any of the same;

(iii) there is no litigation or proceeding pending or threatened against it which may have a materially adverse effect on it or which would prevent or hinder the performance by it of its obligations hereunder;

(iv) this Lease and the attendant documents constitute valid obligations of the Lessee, binding and enforceable against it in accordance with their respective terms;

(v) no action by or with any commission or administrative agency is required in connection herewith;

(vi) it has the power to own its assets and to transact business in which it is engaged;

(vii) it will give to Lessor prompt notice of any change in its name, identity or structure; and

(viii) E. I. du Pont de Nemours and Company ("Guarantor") is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and Guarantor has taken all corporate action which may be required to authorize the execution, delivery and performance of its Guaranty, and such execution, delivery and performance will not conflict with or violate any provision of its Charter or Articles or Certificate of Incorporation, By-laws, or any provisions thereof.

(b) Lessee's execution of a Lease Schedule for a Railcar shall constitute a REPRESENTATION AND WARRANTY BY Lessee to Lessor that:

(i) during the term of the Lease the Railcars will not be "used predominantly outside the United States" within the meaning of Section 168(g)(1) of the Internal Revenue Code of 1986 as promulgated as of the date this Lease is executed (the "Code");

(ii) during the term of the Lease, the Railcars will not be "tax-exempt use property" within the meaning of Section 168 (h) of the Code;

(iii) Lessee will not take any positions which are inconsistent with the Tax Benefits (as defined in Section 17d (ii) hereof), and the distribution thereof herein contemplated;

(iv) the Railcar is in good order and condition;

(v) the Railcars do not constitute "imported property covered by an Executive order" as defined in Code Section 168 (g)(6); and

(vi) each Railcar has a recovery period of seven (7) years within the meaning of Section 168 (c) of the Code.

TERM OF LEASE

4. (a) Primary Term. The primary term ("Primary Term") of the Lease shall begin ("Commencement Date") upon reimbursement by Lessor to Lessee of the Total Cost of the Railcars, and shall continue for one hundred twenty months from such Commencement Date. "Term" or "Lease Term" hereunder shall mean the Primary Term, and if renewed, each Renewal Term (as defined below).

(b) Renewal Option. So long as no Event of Default shall have occurred and be continuing, Lessee may, by written notice delivered to Lessor at least 180 days prior to the expiration of the Primary Term, extend the lease term of all the Railcars for a period of one year or two years (each a "Renewal Term") from the expiration of the Primary Term, as shall be specified in such notice. If Lessee elects to extend the Lease Term of the Railcars for a one-year period, it may, so long as there shall not have occurred and be continuing any Event of Default hereunder, by written notice delivered to Lessor at least 180 days prior to the expiration of such one-year period, extend the Lease Term of such Railcars for an additional one-year period.

All provisions of this Lease shall be applicable during each Renewal Term except that (i) during such Renewal Term Lessee shall pay rent in an amount equal to the Fair Market Rental Value of the Railcars as of the commencement of such Renewal Term; and (ii) for the purposes of determining the Stipulated Loss Value of the Railcars after the determination of the Fair Market Rental Value, Lessor and Lessee shall substitute a new Schedule 3 for Schedule 3 attached to the applicable Lease Schedule. "Fair Market Rental Value" shall, at any time with respect to any Railcar, be equal to the annual rental value of such Railcar for the appropriate Renewal Term which would be obtained in an arm's-length transaction between an informed and willing lessor under no compulsion to lease and an informed and willing lessee-user (other than a lessee currently in possession). Fair Market Rental Value shall be mutually agreed upon by Lessor and Lessee, which determination shall be made on the assumption that such Railcar is free and clear of all liens and is in the condition and repair in which it is required to be returned pursuant to the terms of this Lease.

PERIODIC RENTAL

5. (a) Lessee shall pay to Lessor rent ("Periodic Rental") as specified in the applicable Lease Schedule in an amount calculated by multiplying the Total Cost of the Railcars by the applicable "Base Rental Factors" set forth in Schedule A hereto. The Base Rental Factor shall be adjusted upward or downward by the "Adjustment Factors" outlined in Schedule B hereto, for each one-eighth percent (.125%) increase or decrease in the "Treasury Rate" from the Base Rate set forth in Schedule A. The "Treasury Rate" shall be defined as the rate per annum equal to the yield to maturity for a U.S. Treasury Security having a remaining term to maturity as set forth in Schedule A hereto at the close of

business three (3) business days prior to the lease commencement of each Railcar as reported on Page 5 ("U.S. Treasury and Money Markets") of the information ordinarily provided by Telerate Systems Incorporated. Lessee shall pay installments of Periodic Rental to Lessor in accordance with the payment schedule set forth in the Lease Schedule and Schedule 1 thereto.

(b) The rental factors assume that the provisions of the Code govern this transaction. In the event an adverse change in the Code occurs prior to the Commencement Date, then the rental factor shall be adjusted upward or downward to preserve Lessor's after-tax economics. Any rental adjustment will apply only to Railcars purchased by Lessor after the enactment of such change in the Code.

NON-UTILIZATION FEE

6. Lessee hereby agrees to pay Lessor on the earlier of September 30, 1990 or the Commencement Date of the final Railcar, a NON-UTILIZATION fee in an amount calculated by multiplying the difference between \$1,342,356.00 and the Total Cost of Railcars leased hereunder (to the extent that the Total Cost of Railcars is less than \$1,342,356.00) by .125%. Notwithstanding the above, if the Total Cost of Railcars leased hereunder exceeds \$1,208,115.00, then no NON-UTILIZATION fee shall be due hereunder.

PURCHASE OPTION

7. (a) So long as no Event of Default shall have occurred and be continuing, Lessee may, by written notice given to Lessor at least 180 days prior to the expiration date of the Lease Term of the Railcars (which notice shall be irrevocable), elect to purchase such Railcars on such expiration date for a cash purchase price equal to the Fair Market Sale Value of such Railcars determined as of such expiration date by an independent appraiser mutually agreed upon by Lessor and Lessee, plus an amount equal to all taxes (other than any taxes measured solely by the gain on such sale), costs and expenses (including out-of-pocket legal fees and expenses) reasonably incurred or paid by Lessor in connection with such sale. Upon payment by Lessee of such purchase price, and of all other amounts then due and payable by Lessee hereunder, Lessor shall transfer title to such Railcars to Lessee on an "as-is", "where-is" basis, without recourse and without representation or warranty of any kind, express or implied, as to the Railcars. For purposes hereof, "Fair Market Sale Value" shall, at any time with respect to any Railcar, be equal to the sale value of such Railcar which would be obtained in an arms-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer-user (other than a lessee currently in possession or a scrap dealer).

LATE PAYMENT

8. Lessee will pay to Lessor, on demand, interest, at a rate of two percent (2%) over the publicly announced Manufacturers Hanover Trust Company Reference Rate, on any amount owing hereunder which is not paid when due, for any period for which the same shall be overdue. Interest shall be computed on the basis of a 360-day year and actual days elapsed.

INSURANCE

9. Lessee shall procure and continuously maintain and pay for (a) all risk physical (or equivalent) damage insurance based on the acquisition cost of the Railcars, naming Lessor a Loss Payee, and (b) comprehensive railroad and general liability, including bodily injury and property damage combined single limit liability, including bodily injury and property damage combined single limit liability insurance naming Lessor as Additional Insured, all in such amounts and against such risks and hazards as are set forth in the policies, with insurance companies and pursuant to contracts or policies and with deductibles thereon satisfactory to Lessor. All contracts and policies shall include provisions for the protection of Lessor notwithstanding any act or neglect of or breach or default by Lessee, shall provide for payment of insurance proceeds to Lessor, shall provide that they may not be modified, terminated or cancelled unless Lessor is given at least ten (10) days advance written notice thereof, and shall provide that the coverage is "primary coverage" for the protection of Lessee and Lessor notwithstanding any other coverage carried by Lessee or Lessor protecting against similar risks. Lessee shall promptly notify any appropriate insurer and Lessor of each and every occurrence which may become the basis of a claim or cause of action against the insureds and provide Lessor with all data pertinent to such occurrences. Lessee shall furnish Lessor with certificates of such insurance or copies of policies and renewal certificates at least ten (10) days before the renewal date. Proceeds of all insurance shall be payable first to Lessor to the extent of its liability or interest as the case may be.

Lessee may maintain a self-insurance program with respect to comprehensive and collision insurance. Additionally, Lessee may self-insure with respect to liability insurance to a maximum of \$50 million; provided, however, that Lessor may require Lessee to provide any of the above mentioned insurance coverages in the event that Lessee is in default of the Lease or Lessor reasonably believes that Lessee's self-insurance program is inadequate.

TAXES

10. Lessee shall render and pay all taxes, assessments, and other governmental charges of whatsoever kind or character (except taxes imposed by any federal, state, or local or foreign taxing authority based on or measured by Lessor's net income) on or relating to any Railcar or the ownership, use, or operation thereof, which may accrue or be levied, assessed or imposed during the Term or which remain unpaid as of the date of surrender of such Railcar to Lessor. Lessee shall reimburse Lessor any legally due payments made by Lessor which are the obligation of Lessee under the Lease, but Lessee shall not be obligated to pay any amount under this Section so long as it shall in good faith and by appropriate proceedings contest the validity or the amount thereof, unless such contest would adversely affect the title of Lessor to any Railcar or would subject any Railcar to forfeiture or sale. Lessee shall indemnify Lessor against any loss, claim, demand and expense, including legal expense, resulting from such nonpayment or contest.

MAINTENANCE, ETC.

11. (a) Lessee agrees to comply with all applicable DOT, ICC, FRA and all other governmental laws, regulations, requirements and rules, and with the applicable rules of the AAR, with respect to the use and maintenance of the Railcars subject to this Lease. In case any equipment or appliance is required to be altered, added, replaced or modified on any Railcar in order to comply with such laws, regulations, requirements and rules (including, without limitation, the Interchange Rules), Lessee agrees to make such alterations, additions, replacements and/or modifications at its own expense and title hereto shall be immediately vested in Lessor. "DOT", "ICC", "FRA", "AAR" and "Interchange Rules" shall have the meanings given them in Section 20 hereof.

(b) Lessee shall use the Railcars only in the manner for which they are designed and intended and so as to subject them only to ordinary wear and tear; provided that in no event shall the Lessee knowingly permit such Railcar to be exposed to or be used to carry, whether as consignments for common carrier shipment or otherwise, any toxic or explosive materials. Lessee shall, at its own cost and expense, maintain and keep the Railcars in good order, condition and repair, ordinary wear and tear excepted, but in all cases useable in the manner for which they were designed and intended and in compliance with the Interchange Rules for railcars operating on the railroads, and in any event at the same level of maintenance at which Lessee keeps railcars which it owns or leases similar in nature to the Railcars. Except as required by the provisions of subsection (a)

hereof, Lessee shall not modify any Railcar without the prior written authority and approval of Lessor, except for such modifications that do not decrease the value of the Railcars. Any parts installed or replacements made by Lessee upon any Railcar pursuant to subsection (a) hereof or pursuant to its obligation to maintain and keep such Railcar in good order, condition and repair under this Section 11 shall be considered accessions to such Railcar and title thereto shall be immediately vested in Lessor without cost or expense to Lessor. Lessee shall make no other additions or improvements to any Railcar unless the same are readily removeable without causing damage to such Railcar. Title to any such readily removeable additions or improvements shall remain with Lessee. If Lessee shall at its cost cause such readily removeable additions or improvements to be made to any Railcar, Lessee agrees that, if requested by Lessor, it will, prior to the return of such Railcar to Lessor hereunder, remove the same at its own expense without causing damage to such Railcar and repair all damages, if any, resulting from such removal.

(c) Lessee will cause each Railcar to be kept numbered with the identifying number set forth in the applicable Lease Schedule. Lessee will not change the identifying number of any Railcar unless a statement of new numbers shall be delivered to Lessor and filed, recorded and deposited by Lessee in all public offices where this Lease shall have been filed, recorded and deposited. The Railcar may be lettered with the names or initials or other insignia customarily used by Lessee, but Lessee will not allow the name of any other person, association or corporation to be placed on any Railcar as a designation that might reasonably be interpreted as a claim of legal ownership.

(d) Lessor hereby transfers and assigns to Lessee, for so long during the Term as Lessee is not in default, Lessor's right, title and interest in, under and to any assignable factory and dealer warranty, whether express or implied, with respect to the Railcars. All claims and actions upon any warranty shall be made and prosecuted by Lessee at its sole cost and expense. Lessor shall have no obligation to make or prosecute any claim upon or under a warranty. So long as Lessee shall not be in default, Lessor shall cooperate with Lessee with respect to a claim on a non-assignable warranty claim or recovery paid to Lessor. Lessor shall make such proceeds available for any repair, restoration or replacement to correct such warranted condition. Excess proceeds shall be used to reduce Lessee's Lease obligations.

USE

12. So long as Lessee shall not be in default, Lessee shall be entitled to the possession, use and quiet enjoyment of the Railcars during the Term in accordance with the terms of the

Lease. Lessee will deliver and surrender the Railcars to Lessor at the end of the Term. Lessee warrants that the Railcars will at all times be used and operated solely in the conduct of Lessee's business and under and in compliance with applicable laws and all lawful acts, rules, regulations and orders of any governmental bodies or officers having power to regulate or supervise the use of such property, except that Lessee may in good faith and by appropriate proceedings contest the application of any such rule, regulation or order in any reasonable manner that will not adversely affect the title of Lessor to any Railcar or subject the same to forfeiture or sale. Lessee will not permit its rights or interests hereunder to be subject to any lien, charge or encumbrance and will keep the Railcars free and clear of any and all liens, charges, encumbrances and adverse claims (except those arising from acts of Lessor).

NET LEASE

13. This is a net lease, and Lessee's obligation to pay all rent and all other amounts payable hereunder is ABSOLUTE AND UNCONDITIONAL under any and all circumstances and shall not be affected by any circumstances of any character whatsoever, including, without limitation, (i) any set-off, counterclaim, recoupment, defense, abatement or reduction or any right which Lessee may have against Lessor, the manufacturer or supplier of any of the Railcars or anyone else for any reason whatsoever; (ii) any defect in the title, condition, design, or operation of, or lack of fitness for use of, or any damage to, or loss of, all or any part of the Railcar from any cause whatsoever; (iii) the existence of any liens with respect to the Railcars; (iv) the invalidity, unenforceability or disaffirmance of this Lease or any other document related hereto; or (v) the prohibition of or interference with the use or possession by Lessee of all or any part of the Railcars, for any reason whatsoever, including, without limitation, by reason of (1) claims for patent, trademark or copyright infringement, or (2) the insolvency, bankruptcy, or reorganization of any person.

LOSS AND DAMAGE

14. Lessee assumes all risk of and shall indemnify Lessor against all damage to and loss of the Railcars from any cause whatsoever, whether or not such loss or damage is or could have been covered by insurance. Lessee shall give Lessor written notice of any material loss or damage, describing completely and in detail the cause and the extent of loss and damage, within seventy-two (72) hours. At the option of Lessor, Lessee shall:

(i) repair or restore the damaged or lost Railcars to good condition and working order; or

(ii) in the case of Railcars subject to damage or loss which occurs after the Term of this Lease commences, pay Lessor in cash, within the earlier of (a) 130 days after such damage or loss, or (b) 10 days after Lessee's receipt of insurance proceeds for such damage or loss, the Stipulated Loss Value of the damaged or lost Railcars along with rents unpaid to date of loss. Upon Lessee's complying with the foregoing, Lessor shall pay or cause to be paid over to Lessee the net proceeds of insurance, if any, with respect to such damage or loss. "Damage" and "Loss" shall include damages and losses of any kind whatsoever including, without limitation, physical damage and partial or complete destruction, including intentionally caused damage and destruction, and theft.

STIPULATED LOSS VALUE

15. The Stipulated Loss Value of a Railcar shall be a sum computed by Lessor, but not to exceed the amount determined by multiplying the Total Cost of the Railcar by the Stipulated Loss Value Percentage as of the rent payment date following the date on which the damage or loss occurs as set forth in Schedule 3 to the Lease Schedule.

OWNERSHIP

16. Lessee has not and by execution and performance hereof will not have or obtain any title to the Railcars or any other interest therein except as Lessee hereunder and subject to all the terms hereof. Lessee will treat this transaction as a lease for tax purposes and will not claim any credit or deduction inconsistent with Lessor's ownership of the Railcars.

LESSEE'S INDEMNITIES

17. (a) General Indemnities. Lessee will defend, indemnify and hold harmless Lessor from and against any claim, cause of action, damage, liability, cost or expense (including legal fees and costs) which may be asserted against or incurred in any manner by or for the account of Lessor or Lessee:

(i) relating to the Railcars or any part thereof, including, without limitation the manufacture, construction, purchase, delivery, acceptance or rejection, installation, ownership, sale, leasing, removal or return of the Vehicles, or as a result of the use, maintenance, repair, replacements, operation or the condition thereof (whether defects are latent or discoverable);

(ii) by reason or as a result of any act or omission of Lessee for itself or as agent or attorney-in-fact for Lessor hereunder;

(iii) as a result of claims for patent, trademark or copyright infringement; or

(iv) as a result of product liability claims or claims for strict liability.

(b) Federal Tax Indemnities. Lessee shall indemnify Lessor against the loss of, the loss of right to claim, the disallowance or recapture of all or a portion of the accelerated cost recovery deductions pursuant to Code Section 168 with respect to the Total Cost for property with MACRS Property periods referred to in the Lease Schedule, plus any interest, penalties and additions to tax arising from:

(i) the incorrectness of any representation or warranty made by Lessee;

(ii) the sale or other disposition of any Railcar after the occurrence of Event of Default under the Lease;

(iii) Lessee making any non-severable improvement within the meaning of Revenue Procedure 79-48 to any Railcar not permitted by Revenue Procedure 79-48;

(iv) any act proscribed of Lessee in this Lease, or any omission of any act required of Lessee in this Lease, or any such act by Lessee's agent or attorney-in-fact;

(v) any Event of Default.

The amount of lost deductions and credits to be paid by Lessee pursuant to this Section 17 shall be computed by an independent firm of certified public accountants or tax counsel mutually acceptable to Lessor and Lessee, at Lessee's expense so as to cause Lessor's after-tax rate of return on investment and after-tax cash flows in respect of the Lease to equal that which would have been realized by Lessor if such event had not occurred.

(c) Lessee shall indemnify Lessor against taxes, assessments and other charges imposed upon Lessor under the Code as a result of any payment made by Lessor pursuant to this Section 17.

(d) (i) Except for rental adjustments as provided in Section 5 (b) of this Lease, in no event will Lessee, any sublessee, or any other person authorized by Lessee to use or maintain the Railcars, be obligated to indemnify Lessor for any loss, disallowance, unavailability, or recapture of Tax Benefits as a result of acts or occurrences beyond its control. For example, if there is a subsequent change in tax law (federal or state) that results in any loss, disallowance, unavailability, or recapture of Tax Benefits, Lessee shall be under no obligation to indemnify Lessor for any such loss, disallowance, unavailability, or recapture. Similarly, no obligation to indemnify shall arise if the U.S. Internal Revenue Service or state tax agency successfully determines that Lessor is not entitled, in whole or in part, to the Tax Benefits.

(ii) For purposes of this Section 17, Tax Benefits are defined as all tax benefits available under the Code which are derived from ownership of the Railcars.

LESSOR MAY PERFORM

18. If Lessee at any time shall fail to pay to any person any sum which Lessee is required by the Lease to pay or shall fail to do or perform any other thing Lessee is required by the Lease to do or perform, Lessor at its option may pay such sum or do or perform such thing, and Lessee shall reimburse Lessor on demand for the amount of such payment and for the cost and expense which may be incurred by Lessor for such acts or performance, together with interest thereon at the Late Charge Rate from the date of demand until paid.

DEFAULT

19. (a) Events of Default. Each of the following shall constitute an "Event of Default":

(i) failure to perform and comply with provisions and conditions of Section 9 hereof or to pay any sum, including installments of rental, on the date when due;

(ii) failure to perform and comply with any other provision or condition of the Lease within thirty (30) days after Lessor shall have given Lessee written notice of default with respect thereto, or failure to make good, within thirty (30) days after written notice by Lessor or Lessee, any representation or warranty, whether made in the Lease or in any certificate, agreement, instrument or statement, including income and financial statements, which shall prove to have been incorrect in any material respect when made;

after the expiration of the Lease Term. During any such storage period Lessee will permit Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser or lessee of any Railcar, to inspect the same; provided, however, that Lessee shall not be liable, except in the case of gross negligence of Lessee or of its employees or agents for any injury to, or the death of, any person exercising either on behalf of Lessor or any prospective purchaser or lessee, the rights of inspection granted under this sentence. During any such storage period Lessee shall maintain the insurance required by Section 9 hereof and maintain such Railcar in such manner as Lessee normally maintains similar equipment owned or leased by it in similar storage circumstances. Each Railcar when delivered to Lessor shall have installed all components, accessories, and parts installed thereon at the time of delivery thereof hereunder, or replacements therefor and alterations thereon made in accordance with the provisions of this Lease, none of which shall be broken or missing, shall be in as good condition and state of repair as at the time of delivery thereof hereunder, ordinary wear and tear and changes and alterations properly made by Lessee as permitted under this Lease excepted, suitable for the transport of items normally transported by railcars of similar type and age, conforming to all applicable Federal Railway Administration ("FRA") (or successor agency) safety rules and regulations, and meeting the Interchange Rules, and if no such Interchange Rules are then in effect, meeting the Interchange Rules as then last previously in effect; and shall be otherwise in good operating condition and in the condition as required by Section 11 hereof, and in any event suitable for service with Class 1 (as such classification is employed by the ICC) rail carriers; and Lessee shall pay for or perform any repairs necessary to restore the Railcars to such condition. For purposes hereof, the "Interchange Rules" shall mean the rules of the United States Department of Transportation ("DOT"), The United States Interstate Commerce Commission ("ICC") and the current Interchange Rules or supplements thereto of the Mechanical Division of the Association of American Railroads ("AAR") as the same may be in effect from time to time, or rules then in effect in substitution therefor, with respect to the use and maintenance of each Railcar subject to this Lease. The assembling, delivery, storage and transporting of the Railcars as provided herein are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises Lessor shall be entitled to a decree against Lessee requiring specific performance of the covenants of Lessee to so assemble, deliver, store and transport the leased Railcars. Until such Railcars are returned to Lessor pursuant to the provisions of this Section, all of the provisions of this Lease with respect thereto shall continue in full force and effect. Lessee shall pay all the costs and expenses in connection with or

incidental to the return of the Railcars, including, without limitation, the cost of assembling, insuring, delivering, transporting and storing the Railcars. At the same time of such return the Railcar shall be free and clear of all liens.

HOLDOVER

21. If Lessee shall not immediately redeliver and surrender any Railcar to Lessor when required by the terms hereof, Lessee shall pay Lessor, at such time or times as Lessor may demand, a sum equal to a one-month installment of Periodic Rental for each calendar month or fraction of a month during which such failure to redeliver and surrender continues.

INSPECTIONS; REPORTS

22. Lessor, its agents and employees, shall have the right to enter upon any premises where the Railcars are then located to inspect and examine the same during normal business hours and at any other times if Lessor reasonably believes any Railcars or Lessor's rights are in jeopardy of damage or loss. So long as Lessee is not in default, Lessor shall give Lessee not less than twenty-four (24) hours notice of such inspection. Lessee shall within seventy-two (72) hours give Lessor written notice of any material damage to or loss of or accident involving any of the Railcars from any cause, including, without limitation, damage or loss caused by accident, the elements, intentional acts and theft. Such notice shall set forth an itemization of the affected Railcars and a detailed account of the event, including names of injured persons and a description of such injuries, and damages to property arising from any such event or from any use or operation of the Railcars, and of any attempt to take, distrain, levy upon, seize or attach the Railcars or any Railcar. Lessee shall deliver to Lessor any papers or notices delivered to Lessee or Lessee's agents in connection with any claim commenced or threatened against Lessee or Lessor arising out of the operation of the Railcars. All rights granted to Lessor herein are for the benefit of Lessor and shall not be construed to impose any obligation on Lessor, whether or not Lessor makes any inspections or receives any reports.

FINANCIAL AND OTHER DATA

23. During the term, Lessee shall furnish Lessor annual and quarterly balance sheets and profit and loss statements of E. I. du Pont de Nemours and Company.

NO AFFILIATION WITH SUPPLIERS

24. Lessee warrants that neither it nor any of its officers or directors has any financial interest in the manufacturer or supplier of any Railcar, except as previously disclosed in writing to Lessor.

NON-WAIVER

25. Neither the acceptance by Lessor of any payment or any other performance, nor any act or failure of Lessor to act or to exercise any right, remedies or options in any one or more instances shall constitute a waiver of any such rights, remedy or option or of any breach or default then existing or thereafter occurring. No purported waiver by Lessor of any right, remedy, option, breach or default shall be binding unless in writing and signed by an officer of Lessor. A written waiver by Lessor of any right, remedy, option, breach or default shall not constitute a waiver of any other then existing or thereafter accruing right, remedy or option or of any other then existing or thereafter occurring breach or default.

NOTICES; PAYMENTS

26. (a) A written notice may be given:

(i) by delivering the same to a corporate officer of the party to whom it is directed (the "Addressee"); or

(ii) by mailing the notice to the Addressee by first class mail, registered or certified, with postage prepaid, addressed to the Addressee at the address following its name in the opening recital of this Lease or to such other address as Addressee may specify by notice in writing given in accordance with is Section. A notice so mailed shall be deemed given on the third business day following the date of mailing. A "business day" shall be any day that is not a Saturday or Sunday or a legal holiday.

(b) Lessee shall make all payments to Lessor at the place where at the time the payment is made, notices to Lessor are to be mailed or at such other address as Lessor may designate. A payment shall not be considered to be made until it is actually received by Lessor.

ASSIGNMENT

27. Lessee shall not assign the Lease or any rights in or to the Railcars. Any attempted assignment shall be of no effect, unless Lessor first shall have consented thereto in writing. Lessor's consent to an assignment in any one or more instances

shall not impose any obligation upon Lessor to consent to any other or future assignments. Lessor's consent to an assignment shall not release Lessee from any obligations with respect to the Lessee unless expressly so stated in the written consent. Notwithstanding anything contained to the contrary in this Section 27, Lessee may assign its rights under the Lease and/or to the Railcars to Guarantor, and with Lessor's prior written approval, to an affiliate of either Lessee or Guarantor. Lessee shall give Lessor notice of such permitted assignment. Lessee shall, at all times, remain primarily liable for all obligations under the Lease.

28. THIS SECTION INTENTIONALLY LEFT BLANK.

SURVIVAL

29. The representations, warranties, tax and other indemnities and agreements of Lessee, and Lessee's obligations under any and all provisions of the Lease, shall survive the expiration or other termination of the Lease, shall be binding upon its successors and assigns and are expressly made for the benefit of and shall be enforceable by Lessor and its successors and assigns.

SEVERABILITY

30. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction, shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

MISCELLANEOUS

31. (a) The term "Lessor" shall mean the Lessor named herein and its successors and assigns.

(b) Whenever the context so requires, any pronoun gender includes all other genders, and the singular includes the plural. If more than one person constitute Lessee, whether as a partnership or otherwise, all such persons are and shall be jointly and severally liable for all agreements, undertakings and obligations of Lessee.

(c) All captions and section, paragraph and other divisions and subdivisions are for convenience of reference only and shall not affect the construction, interpretation or meaning of the agreement of Lease or of any of the provisions thereof.

(d) THIS LEASE SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAWS OF THE STATE OF NEW YORK.

(e) This Lease shall be binding upon and, except as limited in Section 27 hereof, shall inure to the benefit of Lessor and Lessee and their respective successors and assigns.

(f) Wherever Lessor's consent is required hereunder, such consent will not be unreasonably withheld.

(g) Lessee's obligation to pay or reimburse Lessor for expenses as provided hereunder shall be limited to reasonable expenses, except in the case of an Event of Default, for which Lessee will pay or reimburse Lessor for actual expenses incurred.

LESSOR'S DISCLAIMER

32. Lessee acknowledges and agrees that it has selected the Railcars of the type and quantity which are the subject of the Lease and the supplier from whom Lessor purchased the Railcars. LESSOR MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE DESIGN, COMPLIANCE WITH SPECIFICATIONS, CONDITION, QUALITY, WORKMANSHIP, OR THE SUITABILITY, ADEQUACY, OPERATION, USE OR PERFORMANCE OF THE RAILCAR OR AS TO ITS MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. ANY DELAY IN DELIVERY SHALL NOT AFFECT THE VALIDITY OF THIS LEASE. The Lessee understands and agrees that neither the supplier nor any salesman or agent of supplier is authorized to waive or alter any term or condition of this Lease, and no representation as to the Railcars or any other matters by the supplier shall in any way affect Lessee's duty to pay the rent and perform its obligations as set forth in the Lease. Lessor shall not be liable to Lessee for any incidental, consequential, or indirect damages or for any act, neglect, omission, breach or default by any third party.

GENERAL DISCLAIMER

33. NEITHER LESSOR NOR LESSEE SHALL BE DEEMED TO HAVE MADE ANY REPRESENTATION OR WARRANTY AS TO THE ACCOUNTING TREATMENT TO BE ACCORDED TO THE TRANSACTIONS CONTEMPLATED BY THIS LEASE OR AS TO ANY TAX CONSEQUENCES AND/OR TAX TREATMENT THEREOF.

ENTIRE AGREEMENT

34. This Lease and any Lease Schedules attached hereto shall constitute the entire agreement between the parties and shall not be altered or amended except by an agreement in writing signed by the parties or their successors or assigns.

IN WITNESS WHEREOF Lessor and Lessee have signed this Lease
as of the day and year first hereinabove written.

LESSOR:

THE CITI GROUP EQUIPMENT FINANCING, INC.

BY: *T.C. Block*

PRINTED NAME: T.C. Block

TITLE: SVP

LESSEE:

CONOCO INC.

BY: *L. Salyer*

PRINTED NAME: LARRY W. SALYER

TITLE: MGR. TRANS. SERVICES

RAM

E

EWK

8/27

WJ 9/27

EXHIBIT A, attached to and forming a part of the Railroad Equipment Lease Agreement dated as of August ____, 1990, entered into by and between Conoco Inc., a Delaware corporation ("Lessee") and The CIT Group/Equipment Financing, Inc., a New York corporation ("Lessor").

General Equipment Description

(1) Fifteen (15) 3 - compartment railcars manufactured by Union Tank Car Company.

(ii) Two (2) 4 - compartment railcars manufactured by Trinity Industries, Inc.

EXHIBIT B, attached to and forming a part of the Railroad Equipment Lease Agreement dated as of August ____, 1990 entered into by and between Conoco Inc., a Delaware corporation ("Lessee") and The CIT Group/Equipment Financing, Inc., a New York corporation ("Lessor").

FORM OF LESSOR'S LETTER TO VENDOR

To: Vendor

Gentlemen:

Please be advised that bid acceptance letter dated _____, 1990, has been placed with you by Conoco Inc., the undersigned's authorized purchasing agent pursuant to the terms of an agreement by and between Conoco Inc., and undersigned dated August ____, 1990.

It is understood that each invoice and bill of sale generated by you with respect to the items of personal property described therein will name the undersigned as the owner and purchaser of such items of personal property.

Very truly yours,

The CIT Group/Equipment
Financing, Inc.

By: _____

Title: _____

EXHIBIT C, attached to and forming a part of the Railroad Equipment Lease Agreement dated as of August ____, 1990 entered into by and between Conoco Inc., a Delaware corporation ("Lessee") and The CIT Group/Equipment Financing, Inc., A New York corporation ("Lessor").

LESSEE'S FORM OF BID ACCEPTANCE LETTER

SCHEDULE A, attached to and forming a part of the Railroad Equipment Lease Agreement dated as of August __, 1990 entered into by and between Conoco, Inc., a Delaware corporation ("Lessee") and The CIT Group/Equipment Financing, Inc., a New York corporation ("Lessor").

Base Rental Factors

Three (3) Compartment Railcars

Lease Commencement	6/90	7/90	8/90
Treasury Term Maturity	5 years	5 years	5 years
Base Rate	7.79%	7.79%	7.79%

Month	(%)	(%)	(%)
1	0	0	0
2	0	0	0
3	0	0	0
4	0	0	0
5	0	0	0
6	0	0	0
7	0	0	0
8	0	0	0
9	0	0	0
10	0	0	0
11	0	0	0
12	11.07004	10.99654	10.91889
13	0	0	0
14	0	0	0
15	0	0	0
16	0	0	0
17	0	0	0
18	0	0	10.91889
19	0	10.99654	0
20	11.07004	0	0
21	0	0	0
22	0	0	0
23	0	0	0
24	0	0	0
25	0	0	0
26	0	0	0
27	0	0	0
28	0	0	0
29	0	0	0
30	0	0	10.91889
31	0	10.99654	0
32	11.07004	0	0
33	0	0	0
34	0	0	0
35	0	0	0
36	0	0	0
37	0	0	0
38	0	0	0
39	0	0	0
40	0	0	0
41	0	0	0
42	0	0	10.91889

43		0	10.99654	0				
44	11.07004	0		0				
45	0	0		0				
46	0	0		0				
47	0	0		0				
48	0	0		0				
49	0	0		0				
50	0	0		0				
51	0	0		0				
52	0	0		0				
53	0	0		0				
54	0	0		0				
55	0	0	10.91889	0				
56	11.07004	0	10.99654	0				
57	0	0		0				
58	0	0		0				
59	0	0		0				
60	0	0		0				
61	0	0		0				
62	0	0		0				
63	0	0		0				
64	0	0		0				
65	0	0		0				
66	0	0		0				
67	0	0	13.34477	0				
68	13.5295	0	13.43968	0				
69	0	0		0				
70	0	0		0				
71	0	0		0				
72	0	0		0				
73	0	0		0				
74	0	0		0				
75	0	0		0				
76	0	0		0				
77	0	0		0				
78	0	0		0				
79	0	0	13.34477	0				
80	13.5295	0	13.43968	0				
81	0	0		0				
82	0	0		0				
83	0	0		0				
84	0	0		0				
85	0	0		0				
86	0	0		0				
87	0	0		0				
88	0	0		0				
89	0	0		0				
90	0	0		0				
91	0	0	13.34477	0				
92	13.5295	0	13.43968	0				
93	0	0		0				
94	0	0		0				
95	0	0		0				
96	0	0		0				
97	0	0		0				
98	0	0		0				

Schedule A, attached to and forming a part of the Railroad Equipment Lease Agreement dated as of June _____, 1990 entered into by and between Conoco Inc., a Delaware corporation ("Lessee") and The CIT Group/Equipment Financing, Inc., a New York corporation ("Lessor").

Base Rental Factors

Four (4) Compartment Railcars

Lease Commencement	6/90	7/90	8/90
Treasury Term Maturity	5 years	5 years	5 years
Base Rate	7.79%	7.79%	7.79%

Month	(%)	(%)	(%)
1	0	0	0
2	0	0	0
3	0	0	0
4	0	0	0
5	0	0	0
6	0	0	0
7	0	0	0
8	0	0	0
9	0	0	0
10	0	0	0
11	0	0	0
12	11.43805	11.36203	11.27937
13	0	0	0
14	0	0	0
15	0	0	0
16	0	0	0
17	0	0	0
18	0	0	11.27937
19	0	11.36203	0
20	11.43805	0	0
21	0	0	0
22	0	0	0
23	0	0	0
24	0	0	0
25	0	0	0
26	0	0	0
27	0	0	0
28	0	0	0
29	0	0	0
30	0	0	11.27937
31	0	11.36203	0
32	11.43805	0	0
33	0	0	0
34	0	0	0
35	0	0	0
36	0	0	0
37	0	0	0
38	0	0	0
39	0	0	0
40	0	0	0
41	0	0	0
42	0	0	11.27937

43	0	11.36203	0	99	0	0	0
44	11.43805	0	0	100	0	0	0
45	0	0	0	101	0	0	0
46	0	0	0	102	0	0	0
47	0	0	0	103	0	0	0
48	0	0	0	104	13.97927	13.88636	13.78533
49	0	0	0	105	0	0	0
50	0	0	0	106	0	0	0
51	0	0	0	107	0	0	0
52	0	0	0	108	0	0	0
53	0	0	0	109	0	0	0
54	0	0	0	110	0	0	0
55	0	11.36203	11.27937	111	0	0	0
56	11.43805	0	0	112	0	0	0
57	0	0	0	113	0	0	0
58	0	0	0	114	0	0	0
59	0	0	0	115	0	0	0
60	0	0	0	116	13.97927	13.88636	13.78533
61	0	0	0	117	0	0	0
62	0	0	0	118	0	0	0
63	0	0	0	119	0	0	0
64	0	0	0	120	0	0	0
65	0	0	0				
66	0	0	0				
67	0	0	13.78533				
68	13.97927	13.88636	0				
69	0	0	0				
70	0	0	0				
71	0	0	0				
72	0	0	0				
73	0	0	0				
74	0	0	0				
75	0	0	0				
76	0	0	0				
77	0	0	0				
78	0	0	0				
79	0	0	13.78533				
80	13.97927	13.88636	0				
81	0	0	0				
82	0	0	0				
83	0	0	0				
84	0	0	0				
85	0	0	0				
86	0	0	0				
87	0	0	0				
88	0	0	0				
89	0	0	0				
90	0	0	0				
91	0	0	13.78533				
92	13.97927	13.88636	0				
93	0	0	0				
94	0	0	0				
95	0	0	0				
96	0	0	0				
97	0	0	0				
98	0	0	0				

Schedule B, attached to and forming a part of the Railroad Equipment Lease Agreement dated as of August __, 1990 entered into by and between Conoco Inc., a Delaware corporation ("Lessee") and The CIT Group/Equipment Financing, Inc., a New York corporation ("Lessor").

Adjustment Factors

<u>Four (4) Compartment Railcars</u>	<u>Low</u>	<u>High</u>
8/90 Commencement	.06363%	.07777%
<u>Three (3) Compartment Railcars</u>		
8/90 Commencement	.06522%	.07971%

In accordance with Section 5 (a) of the Lease, the "Low" adjustment factor indicated above shall be added or subtracted to the Base Rental Factor except Base Rental Factors of 0, for payments 1 through 69. The "High" adjustment factor shall be added or subtracted to the Base Rental Factor, except Base Rental Factors of 0, for payments 70 through 120.

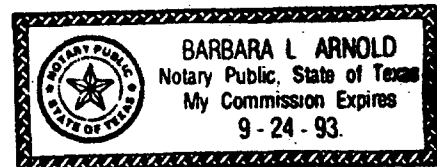
ACKNOWLEDGMENT EXECUTED BY A CORPORATION

STATE OF TEXAS)
)
)
COUNTY OF HARRIS)

SS.

On this 29th day of AUGUST, in the year 1990, before me personally appeared Larry W. Salyer, to me personally known, who being by me duly sworn says that such person is the Manager of Transportation Services of Conoco Inc., that the foregoing Railroad Equipment Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Barbara L Arnold
Notary Public



STATE OF CALIFORNIA)
)
)
)
COUNTY OF LOS ANGELES)

SS.

On this 29th day of AUGUST, 1990, before me personally appeared T.C. Bloch, to me personally known, who being by me duly sworn says that such person is a Senior Vice President of The CIT Group/Equipment Financing, Inc., that the foregoing Railroad Equipment Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Timothy J White
Notary Public



